



2015

# Medicare At A Glance

Indiana 2015

## Who runs the Medicare Program?

The Centers for Medicare & Medicaid Services (CMS) is the Federal agency that runs Medicare. CMS is part of the US Department of Health and Human Services.

## What is Medicare?

Medicare is health insurance for people age 65 or older, under age 65 with certain disabilities, and any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

Medicare has the following parts:

- Part A (Hospital Insurance)
- Part B (Medical Insurance)
- Part C (Medicare Insurance)
- Part D (Medicare Prescription Drug Coverage)

## What is Medicare Part A?

Medicare Part A helps cover inpatient care in hospitals. This includes critical access hospitals and inpatient rehabilitation facilities. It also helps cover hospice care, home health care, and skilled nursing facilities (not custodial or long-term care). You must, however, meet certain conditions to get these benefits.

**Cost:** You usually don't pay a monthly premium for Part A coverage if you or your spouse have paid Medicare taxes while working.

If you aren't eligible for premium-free Part A, you may be able to buy Part A if you meet the citizenship or residency requirements and you are age 65 or older. You may also be able to buy Part A if you are under age 65, disabled, and your premium-free Part A coverage ended because you returned to work.

Paying for Hospital Stays			
Inpatient Hospital Stays		Skilled Nursing Facilities	
Days 1 - 60	\$1,260 total deductible	Days 1 – 20	\$0
Days 61 - 90	\$315 co-pay per day	Days 21 - 100	\$157.50 per day
Days 91 - 150	\$630 co-pay per day	Days 100 +	All costs
Days 150 +	All costs		

## What is Medicare Part B?

Medicare Part B helps cover medically-necessary services like doctors' services, outpatient care, and other medical services. Part B also covers some preventive services with a zero dollar copay and a zero dollar deductible. These include a "Welcome to Medicare" physical exam, abdominal aortic aneurysm screening, annual wellness exam, bone mass measurements, cardiovascular disease screening, colorectal cancer screening, diabetes screening, mammogram screening, pap test/pelvic exam/clinical breast exam, and vaccines (N1H1 flu, hepatitis B, pneumonia). A copay and deductible may apply to glaucoma tests, HIV screening, Medicare nutrition therapy services, prostate cancer screening, and smoking cessation counseling.

**Cost:** Most people pay the standard Part B Premium each month as well as a \$147 annual deductible, although some people may pay a higher premium based on their income. Your monthly premium will be higher than the standard premium if you are single (file an individual tax return) and your yearly modified adjusted gross income is more than \$85,000, or if you are married (file a joint tax return) and your yearly modified adjusted gross income is more than \$170,000. Your modified adjusted gross income is your adjusted gross (taxable) income plus your tax-exempt interest income. However, the majority of Medicare beneficiaries will pay \$104.90 monthly premium.

Yearly Income Filed Individual Tax Return	File Joint Tax Return	Premium
\$85,000 or less	\$170,000 or less	\$104.90
Above \$85,000 up to \$107,000	Above \$170,000 up to \$214,000	\$146.90
Above \$107,000 up to \$160,000	Above \$214,000 up to \$320,000	\$209.80
Above \$160,000 up to \$214,000	Above \$320,000 up to \$428,000	\$272.70
Above \$214,000	Above \$428,000	\$335.70

## What is NOT covered by Medicare Part A and Part B?

Medicare does not cover all of your medical needs. For example, Medicare does not cover cosmetic surgery, healthcare you get while traveling outside of the United States (except in limited cases), hearing aids, most hearing exams, long-term care (like care in a nursing home), most eyeglasses, most dental care and dentures, and more. Although some of these services may be covered by a Medicare Advantage Plan (like an HMO or PPO).

## What is Medicare prescription drug coverage?

Medicare offers prescription drug coverage (Part D) for everyone with Medicare. This coverage may help you lower your prescription drug costs and help you protect against higher costs in the future. It can give you greater access to drugs that you can use to prevent complications of diseases and stay well. The initial coverage limit is \$2960 with 30 Medicare Prescription Drug Plans (PDPs) available with \$15.70 as the lowest monthly premium for a PDP and \$22.60 as the lowest monthly premium for a PDP with no deductible in the state of Indiana. To get Medicare drug coverage, you must join a plan run by an insurance company or other private company approved by Medicare.

**Cost:** Each plan can vary in cost and drugs covered. If you join a Medicare drug plan, you usually pay a monthly premium as well as a \$320 deductible. If you decide not to join a Medicare drug plan when you are first eligible, you may pay a penalty if you choose to join later. Plan costs and coverage change each year, so all people with Medicare should check to make sure their plan still meets their medical and financial needs. Beginning in 2011, the Affordable Care Act requires Part D enrollees whose income exceeds the same thresholds that apply to higher income Part B enrollees to pay a monthly adjustment amount.

Standard Coverage and Cost of Drug Benefits 2015					
	Coverage Range	Medicare Pays		Beneficiary Pays	
Stage 1: (Annual Deductible)	\$0-\$320	0%	\$0	100%	\$320
Stage 2: (Initial Coverage)	\$320-2960	75%	\$2230	25%	\$558
Stage 3: (Coverage Gap)	\$2960-7061	55% - Brand Name 35% - Generic		45% - Brand Name 65% - Generic	
Stage 4: (Catastrophic Coverage)	\$7061.76 and Up	95%	No Max	5% or \$2.65/ \$6.60	No Max

**Extra Help:** Anyone who has Medicare can get extra help with his or her Medicare Part D prescription drug coverage. Some people with limited income and resources are eligible for the "Extra Help" program to pay for the costs—monthly premiums, annual deductibles, and prescription co-payments related to a Medicare prescription drug plan. To qualify, your monthly income must also be limited to \$1,478 for an individual or \$1,986 for a married couple living together (although in some cases even if your annual income is higher you still may be eligible for Extra Help). Your resources must be limited to \$13,440 for an individual or \$26,860 for a married couple living together. Resources include such things as bank accounts, stocks, and bonds.

**Hoosier Rx:** Hoosier Rx is Indiana's prescription drug plan for low-income seniors. If you are an Indiana resident, age 65 or over, receive a low monthly income, and are without insurance that has a prescription drug benefit, you may qualify. Hoosier Rx does not consider your assets, it only considers your income. So if your yearly net income is \$17,745 or less for an individual or \$23,835 or less for a couple, you could receive help paying for your Medicare prescription drug costs. To apply, call free of charge 1-866-267-4679.

## When can I make changes to my coverage?

You can make changes to your Medicare health or prescription drug coverage during the Annual Election Period, between October 15<sup>th</sup> to December 7<sup>th</sup>, 2015. Depending on your situation, there may be other times when you can change your Medicare health or prescription drug coverage.

You can also make changes to your Medicare Advantage Plan during Annual Disenrollment Period, between January 1 to February 14 every year. Coverage begins the first of the month after you switch. You may also elect to join a Medicare Part D plan during this change.

## What are my Medicare health plan choices?

You can choose different ways to get your Medicare benefits delivered. Most people get their health care coverage through Original Medicare or a Medicare Advantage Plan (similar to a HMO or PPO). Your costs vary depending on your coverage and the services you use.

**Original Medicare**, which provides Medicare Part A and Part B coverage, is a fee-for-service plan managed by the Federal government. This means you are usually charged for each health care service or supply you get. For some services, you will pay an amount called a deductible before Medicare pays its part. Then, when you get a Medicare-covered medical supply or service, Medicare pays its share of the cost of the supply or service, and you pay your share, called the coinsurance or a copayment. You can also join a Medicare Prescription Drug Plan to get prescription drug coverage.

**Medicare Advantage Plans** are health plan options that are approved by Medicare and run by private companies. These plans are part of Medicare, and are sometimes called "Part C" Plans. They provide all your Part A and Part B covered services. Medicare Advantage Plans may offer extra coverage and most include Medicare prescription drug coverage (usually for an extra cost). You may need a referral to see a specialist. In some plans, you can only see doctors who belong to the plan or go to certain hospitals to get covered services.

In addition to Original Medicare or a Medicare Advantage Plan, you may be able to join other types of Medicare health plans.

## Can I have other types of health insurance?

Yes. You may already have health coverage such as employer or retiree coverage or another type of health insurance. There are times when your other coverage or health insurance must pay before Medicare pays. Talk to your benefits administrator to see how your other coverage or health insurance works with Medicare.

If you have Original Medicare, you might also want to buy a Medigap (sometimes called “Medicare Supplement Insurance”) policy. A Medigap policy, sold by private insurance companies, can help pay some of the health care costs (“gaps”) that Original Medicare doesn’t cover, like copayments, coinsurance, and deductibles.

## How can I get help to pay Medicare costs?

There are programs that help millions of people with Medicare save money each year. If you have limited income and resources, your states may help pay Medicare premiums and, in some cases, may also pay Medicare deductibles and coinsurance. To find out if you qualify call Indiana’s Area Agency on Aging (AAA) toll free at **1-800-986-3505**.

	Income	Assets
<b>Medicaid</b>	\$993 (single) \$1,331	\$2,000 (single) \$3,000 (married)
<b>Qualified Medicare Beneficiary</b>	\$1,480 (single)	\$7,160 (single)
	\$1,987 (married)	\$10,750 (married)
<b>Specified Low Income Beneficiary</b>	\$1,674 (single)	\$7,160 (single)
	\$2,249 (married)	\$10,750 (married)
<b>Qualified Individual</b>	\$1,820 (single)	\$7,160 (single)
	\$2,445 (married)	\$10,750 (married)

## Where can I get more information?

For more information about getting Extra Help with your Medicare prescription drug plan costs, visit [www.socialsecurity.gov](http://www.socialsecurity.gov) or call Social Security at **1-800-772-1213** (TTY **1-800-325-0778**) to speak with a representative. Social Security representatives are available to help you complete your application.

If you need information about Medicare Savings Programs, Medicare prescription drug plans, how to enroll in a plan, or to request a copy of the *Medicare & You 2012* handbook, please visit [www.medicare.gov](http://www.medicare.gov) or call **1-800-MEDICARE (1-800-633-4227)** (TTY, **1-877-486-2048**) to speak with a Medicare counselor.

You also can request information from the **State Health Insurance Assistance Program (SHIP)** at **1-800-452-4800** or TDD line for the hearing impaired at 1-800-846-0139 to speak with a SHIP counselor or visit [www.medicare.in.gov](http://www.medicare.in.gov).

In addition, you can find your local SHIP contact information on the back of your Medicare handbook or obtain the information online at <http://www.in.gov/idoi/2500.htm>